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Mainstreaming digitalization and the circular economy to achieve the SDGs, particularly responsible consumption and production

***Draft resolution submitted by the
Standing Committee on Sustainable Development****

Rapporteur: Ms. V. Tsitsi Muzenda (Zimbabwe)

The 142nd Assembly of the Inter-Parliamentary Union,

- (1) *Fully endorsing* the Political Declaration of the Sustainable Development Goals Summit (September 2019), which reaffirms the commitment to advance the 2030 Agenda for Sustainable Development, and calls for accelerated action in order to achieve the SDGs,
- (2) *Recalling* the Ministerial Declaration of the 2019 United Nations Environment Assembly, particularly the commitment made by governments worldwide to "improve national resource management strategies with integrated full life-cycle approaches and analysis to achieve resource efficient and low-carbon economies", while taking into account national circumstances,
- (3) *Noting* the establishment of the Global Alliance on Circular Economy and Resource Efficiency, which aims to support the transition to a global circular economy for more efficient and equitable use of resources so as to achieve sustainable consumption and production, and inclusive and sustainable industrialization,
- (4) *Underlining* that the circular economy and digitalization, and the interplay between them, can make a major contribution to reaching the SDGs, particularly responsible consumption and production,
- (5) *Being mindful* that due to COVID-19 we are facing major disruption that will force us to use our limited means even more efficiently against the background of the crisis,
- (6) *Stressing* that the COVID-19 pandemic has reversed hard-won development gains, particularly for achieving gender equality and reducing poverty, and has exposed the deep economic and social inequalities and the challenges addressed by the 2030 Agenda for Sustainable Development, thus making the achievement of the SDGs all the more necessary and urgent,
- (7) *Emphasizing* that responsible consumption and production are pivotal and cross-cutting elements of the SDGs, and crucial means to build back better and greener, as they enable the efficient use of natural resources, minimize environmental degradation, pollution and waste, and consider each stage of the life cycle while creating opportunities for social and economic development, thus contributing to poverty eradication and shared prosperity,

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- (8) *Aware* that the pandemic crisis has revealed the precariousness of long and complex value chains, and the flaws of the linear “take-make-use-dispose” pattern of production and consumption,
- (9) *Noting* that the price of products does not always reflect environmental or social costs, such as pollution effects or underpaid labour, which have a negative impact on people’s health and quality of life,
- (10) *Encouraging* the disclosure of appropriate product information to consumers, and promoting the development of measures to increase transparency in production chains,
- (11) *Stressing* that circular economy transformation, although predominantly associated with product manufacturing or resource intensive industries and value chains, refers to the economy as a whole, including service dominated industries, thus requiring the engagement of the full range of actors across each industry and sector,
- (12) *Noting* that the world is currently in the midst of the creation of a more circular economy, through policy initiatives such as the European Circular Economy Action Plan, and of the digital revolution, both of which have the power to transform our economy and society,
- (13) *Noting also* that big efforts are currently being made by national and international policymakers to promote and regulate both transitions with the increasing need to align their efforts or create bridges between policies,
- (14) *Underscoring* that, through "digital for development" (D4D) policy, consideration is being given to how digitalization could change people’s lives and result in inclusive, equitable, efficient, affordable, faster and, above all, sustainable universal growth,
- (15) *Noting* that digitalization gives rise to novel digital platforms, helps create new kinds of markets, which can be based on the virtualization of products and processes, and facilitates easier and more efficient networking, collaboration and co-creation with stakeholders,
- (16) *Bearing in mind* that digitalization helps to cut costs and increase efficiency, including efficiency of resources,
- (17) *Underscoring* the important role of international digital learning and collaboration platforms, often with virtual technologies, for learning, networking and co-creation, while the COVID-19 pandemic poses severe challenges to education across the world due to limited access to infrastructure and technologies,
- (18) *Aware* that digitalization is not a goal in itself, but an enabler and an accelerator to effectively achieve all 17 SDGs,
- (19) *Highlighting* the fact that the COVID-19 crisis has accelerated digitalization,
- (20) *Mindful* that because of the restrained mobility of people due to the prescribed health protocol of physical distancing as a result of the pandemic, consumer behaviour towards digitalization has radically changed, especially in terms of transactions for both private and public goods,
- (21) *Underscoring* that any future disaster risk reduction strategy will be (big) data driven,
- (22) *Paying due regard* to avoiding the most vulnerable people becoming victims of the circular economy and digital transition by including solidarity in the recovery process in order to fully seize the opportunities of the current crisis,

(23) *Stressing* that the shift to a circular economy has the potential to allow countries to decouple growth from resource use and environmental impact, generate economic opportunities, build long-term resilience, protect the environment and human health,

(24) *Underlining* that the implementation of the circular economy principles in key sectors can play an important role in reducing greenhouse gas emissions and successfully addressing climate change,

(25) *Bearing in mind* that creating consumer demand for resource efficient products can be a challenge, as environmentally sustainable products may not be easily available, affordable, user-friendly or functional and attractive to consumers, especially at the early stages of their development,

(26) *Acknowledging* the potential of digitalization to strengthen the circular economy, and stressing that circular economy and sustainability principles should be at the heart of digitalization,

(27) *Noting* that digitalization and the circular economy are driven by the following "bridging technologies": the internet of things, artificial intelligence, robotics, big data, 3D printing, augmented reality and blockchain,

(28) *Recognizing* that the circular economy and digitalization have the potential to contribute to equitable economic growth and enable the economic empowerment of women and vulnerable populations, and youth-led collective action,

(29) *Emphasizing* that mainstreaming digitalization and the circular economy requires ambition, political will and a fundamental change of vision at all levels, which go far beyond the standard digital and environmental political agendas, and must be based on a systemic national approach with the participation of all sectors of society, as well as on enhanced international cooperation,

1. *Invites* parliaments to give digitalization and the circular economy more prominence on the political agenda, as part of their efforts to address the SDGs, particularly responsible consumption and production;
2. *Calls on* parliaments to mainstream digitalization and circular economy principles into public policies and national strategies, and to adopt an enabling framework for their implementation;
3. *Notes* that reducing existing inequalities in terms of access to digital platforms on the part of women and many vulnerable populations as well as marginalized segments of society, including Indigenous people, racialized communities, and persons with disabilities in order to enhance their full participation in the digital economic transition should be duly regarded;
4. *Encourages* parliaments to promote adequate regulatory frameworks, including economic and financial incentives, with a view to enabling circular economy models to deliver sustainable products and services that are both scalable and competitive in terms of price, quality and convenience;
5. *Calls on* all actors to make the right innovative choices against the background of the pandemic and to prioritize future-proof and sustainable sectors and technologies while benefitting from the huge social, economic and ecological advantages of smart digitalization;
6. *Invites* parliaments to recognize the need for and opportunity of a resilient and low-carbon inclusive recovery from COVID-19, as an enabler for achieving the 2030 Agenda, and calls on them to ensure that recovery plans incorporate responsible consumption and production practices, based on digitalization and circular economy principles, among others, while taking into account national circumstances;

7. *Calls on* parliaments to adopt legislation that addresses food waste and loss at every phase and level of the food supply chain, and to stimulate the use of new technologies for the creation of an integrated agricultural and food system whereby food utilization is optimized and loss and waste of resources are minimized;
8. *Urges* parliaments to support policies that encourage repair, reuse and resource recycling, including the design of products suitable for recycling, the reduction of primary material consumption, and the utilization of secondary resources to facilitate sustainable resource management, and invites them to encourage new business and service models that are not dependent on mass consumption of disposable products;
9. *Requests* parliaments to ensure that the functioning of all public institutions, central and local, takes a more holistic approach to sustainability, while incorporating both digital and circular economy principles, including the adoption of green and sustainable procurement legislative frameworks and monitoring systems;
10. *Invites* parliaments to encourage international policy coordination of standards, regulations and policies for the circular economy;
11. *Calls on* parliaments to create an environment conducive to the development and application of digital solutions, such as the internet of things, artificial intelligence and blockchain, aimed at maximizing the potential of the circular economy;
12. *Also calls on* parliaments, as part of efforts to create an enabling environment for digitalization and the circular economy, to place special emphasis on data policies and common data architecture;
13. *Invites* parliaments to encourage research and development to increase innovation and knowledge-sharing including the transfer of technology, particularly to developing countries on mutually agreed terms for the uptake, upscaling and replication of resource-efficient and clean technologies and innovative business practices based on digitalization and the circular economy;
14. *Encourages* parliaments to promote collaboration with the Technology Bank for Least Developed Countries, established by UN General Assembly Resolution A/RES/71/251, which has a critical role to play in the digital transformation of the LDCs to attain sustainable development by facilitating access to and implementation of digital technologies and providing assistance with data management issues;
15. *Calls on* parliaments from donor countries to encourage international development cooperation agencies to mainstream digitalization and circular economy principles in their financial assistance and capacity-building programmes aimed at supporting COVID-19 economic recovery and SDG implementation;
16. *Also calls on* governments to integrate digital skills and a circular way of life in education at the earliest possible stage; and to conduct awareness campaigns to encourage consumers' engagement in sustainable practices;
17. *Invites* parliaments to create an enabling environment for citizens' access to digital solutions for their digital empowerment;
18. *Also invites* parliaments and governments to allocate appropriate financial resources to encourage the development of both digital and circular economy business models, while specifically empowering young and women entrepreneurs;
19. *Further invites* parliaments to promote gender-inclusive education frameworks and policies to boost education opportunities and digital skills development for women and girls in STEAM-subjects to narrow the gender digital divide;

20. *Encourages* parliaments to support efforts by regional and local institutions to foster urban sustainability through the development of inclusive, safe, resilient and sustainable smart cities that digitally optimize communication, transport, energy, water and sanitation systems, according to circular economy and digitalization principles;
21. *Emphasizes* the urgent need to work towards a circular built environment by adopting building practices that minimize the use of raw materials to decrease emissions, by increasing the recovery rate of construction and demolition waste, and by improving the energy efficiency and extending the lifespan of existing buildings;
22. *Calls on* parliaments to encourage the integration of circular economy models into the national response to climate change, and invites them to ensure that climate change policies and strategies include measures to optimize the utility of products by maximizing their use and extending their lifespan, and enhance recycling (using waste as a resource), while promoting a circular design that reduces material consumption, and uses lower-carbon alternatives;
23. *Also calls on* parliaments to encourage full transparency pertaining to all used materials in manufacturing in order to limit any introduction of harmful chemical substances in the production cycle, and furthermore to promote the use of fully recyclable materials;
24. *Invites* parliaments to support the adoption, including through public-private partnerships, of sound environmental and social standards for the extractive industries, as well as of standards and policy frameworks that enhance the sustainable recycling of secondary materials and mitigate challenges associated with the digital economy;
25. *Calls on* parliaments to promote digitalization and circular solutions, including circular procurement, circular design and services instead of products, as a means to develop a more resilient, and economically and environmentally sustainable travel and tourism industry;
26. *Requests* parliaments to ensure that governments invest in adequate digital infrastructure for secure, accessible and affordable internet coverage, connectivity, regulatory frameworks for data protection/privacy, and cybersecurity standards and governance, in order to enable the circular economy and D4D to reach their full potential;
27. *Invites* parliaments to incentivize the implementation of circular business models with long-term benefits, such as changing consumer behaviour, stimulating innovation, and the scaling and diffusion of technologies;
28. *Calls on* parliaments to stimulate national and international networking and collaboration between schools, research institutions and networks, and other relevant stakeholders (e.g. companies, NGOs and international organizations) to find digital solutions to challenges related to the circular economy, for example by encouraging co-creation through competitions and hackathons;
29. *Invites* parliaments to ensure that efforts to accelerate the transition to digitalization and the circular economy address potential risks, such as increasing material and energy use, increasing greenhouse gas emissions, deepening the digital gap among and within countries, and increasing the environmental footprint of the IT industry, as well as the transition's negative consequences in terms of security and human health;
30. *Calls on* the IPU to enhance cooperation with Member Parliaments and other organizations in order to gather evidence on the circular economy, environment and digitalization, to map the interplay between them and to promote guidelines for parliamentary action;

31. *Also calls* on parliaments to see to it that digitalization and circular-economy principles, and strengthened goals to this effect, are incorporated while approving future free trade agreements, which require parliamentary ratification;
32. *Invites* parliaments to support the use of standardized, comparable and high-quality digital data which is properly mined, investigated and managed, and stresses that promoting digitalization is an important tool to support efficient and reliable information collection and delivery, which are key elements for safe and sustainable circular economy;
33. *Requests* parliaments to rationalize the discussion on data sharing by distinguishing between different types of data and to establish fair and functional data regulation based on common sense by securing fair access to data, as well as fair protection of data according to the internationally accepted data protection principles, intellectual property rights and other relevant legal frameworks as per national circumstances;
34. *Encourages* parliaments and governments to engage in dialogue with stakeholders (e.g. civil society, companies and administrations) in order to increase their awareness of the importance of providing open data and turn them into active participants of the data economy and co-creators of knowledge when legally possible;
35. *Calls on* parliaments to envisage measures aimed at tackling people's lack of basic digital skills and e-literacy, and at increasing the number of IT, artificial intelligence, blockchain and other digital professionals, as a means to proactively shape a digital transformation centred around sustainable ecological, social and economic development dimensions;
36. *Invites* parliaments to exchange information and best practices and implement capacity-building programmes with a view to increasing awareness and knowledge among parliamentarians about the interplay between digitalization and the circular economy, and its potential in promoting a resilient and green recovery and achieving the SDGs, particularly responsible consumption and production.

* The resolution was negotiated in keeping with the Special Rules of Procedure governing virtual sessions of the IPU Assembly and Standing Committees. Reservations were received from:

India, which expressed reservations on preambular paragraphs 7 and 29.

Nicaragua, which expressed reservations on operative paragraphs 3, 8, 20, and 28.